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Attorneys for Respondent Paramount Farms, Inc.

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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In the Matter of the Application of :

VENTILEX B.V., :

FOR AN ORDER PURSUANT TO ARTICLE :
75 OF THE CPLR STAYING :
ARBITRATION, : Case No.: 08-cv-5859

Petitioner, :

-against- : **VERIFIED ANSWER**

PARAMOUNT FARMS, INC.,

Respondent.

-----X
Respondent Paramount Farm, Inc. ("Paramount Farms"), by its attorneys Loeb & Loeb LLP, answers Plaintiff Ventilex B.V.'s ("Ventilex Europe") Verified Petition ("Petition") as follows:

1. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph "1," except admits upon information and belief that Ventilex Europe is a corporation with a base in the Netherlands, and is a parent corporation of Ventilex U.S.A., Inc. (Ventilex U.S.), a Delaware corporation.

2. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph "2," except admits that Paramount Farms is a Delaware

corporation with an office located in Los Angeles, California; is the world's largest vertically integrated supplier of pistachios and almonds, and that its nut products are sold in the United States, including in New York, under the Sunkist label (among others).

3. Denies the allegations contained in paragraph "3," except admits that Ventilex Europe commenced a proceeding pursuant to Article 75 of the Civil Practice Law and Rules to stay an arbitration (the "Arbitration") before the American Arbitration Association ("AAA"), which Paramount Farms has commenced against Ventilex U.S. and Ventilex Europe relating to a contract signed by representatives of Paramount Farms and Ventilex.

4. Denies the allegations contained in paragraph "4", and denies knowledge or information sufficient to form a belief as to the county in which AAA is headquartered.

5. Admits the allegations contained in paragraph "5," except denies that Ventilex Europe was never properly served with notice or process.

6. Denies the allegations contained in paragraph "6," except admits that Paramount Farm's arbitration demand (the "Arbitration Demand") lists both Ventilex U.S. and Ventilex Europe as respondents, and that a representative of Ventilex signed the contract.

7. Admits that Ventilex Europe has demanded (through counsel) that it be dismissed as a Respondent to the Arbitration, and that Paramount Farms has refused consent to such dismissal.

8. Denies the allegations contained in paragraph "8."

First Defense

The Verified Petition fails to a state valid claim for relief.

Second Defense

Ventilex Europe is obligated to arbitrate the issues raised in the Arbitration Demand, by virtue of a written arbitration agreement and by function of law.

Third Defense

Service of the Verified Petition was improper and unlawful.

Fourth Defense

The Verified Petition is untimely.


WHEREFORE, Respondent Paramount Farms. demands judgment:

- (A) Dismissing Plaintiff's Verified Petition;
- (B) Awarding its costs and disbursement, including attorneys' fees; and
- (C) Awarding such other and further relief as the Court may find just and proper.

Dated: New York, New York
August 15, 2008

LOEB & LOEB LLP

By: _____


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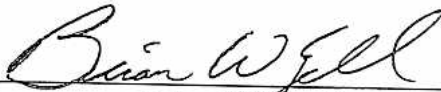
*Attorneys for Respondent
Paramount Farms, Inc.*

VERIFICATION

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) SS.

Brian W. Ezell, being duly sworn, deposes and says:

I am Managing Director of the Almond Division of Paramount Farms, Inc. I have read the annexed Verified Answer, know the contents thereof, and the same are true to my knowledge.


Brian W. Ezell

Sworn to before me this
15 Day of August, 2008


Notary Public

